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LOCAL DISTRICT FEES

2011 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Daniel W. Thatcher

House Sponsor: _____

LONG TITLE

General Description:

This bill amends provisions related to a fee charged by a local district or service area.

Highlighted Provisions:

This bill:

- ▶ amends provisions related to notice requirements for a local district imposing or increasing a fee;
- ▶ in certain circumstances, prohibits a county from charging or collecting a fee for a service area; and
- ▶ makes technical corrections.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill provides an immediate effective date.

Utah Code Sections Affected:

AMENDS:

17B-1-643, as last amended by Laws of Utah 2009, First Special Session, Chapter 5

17B-2a-902, as enacted by Laws of Utah 2007, Chapter 329

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **17B-1-643** is amended to read:



28 **17B-1-643. Imposing or increasing a fee for service provided by local district.**

29 (1) (a) Before imposing a new fee or increasing an existing fee for a service provided
30 by a local district, each local district board of trustees shall first hold a public hearing at which
31 any interested person may speak for or against the proposal to impose a fee or to increase an
32 existing fee.

33 (b) Each public hearing under Subsection (1)(a) shall be held in the evening beginning
34 no earlier than 6 p.m.

35 (c) A public hearing required under this Subsection (1) may be combined with a public
36 hearing on a tentative budget required under Section 17B-1-610.

37 (d) Except to the extent that this section imposes more stringent notice requirements,
38 the local district board shall comply with Title 52, Chapter 4, Open and Public Meetings Act,
39 in holding the public hearing under Subsection (1)(a).

40 ~~[(2) (a) Each local district board shall give notice of a hearing under Subsection (1) as
41 provided in Subsection (2)(b)(i) or (ii).]~~

42 ~~[(b) (i) (A) The notice required under Subsection (2)(a) shall be published:]~~

43 ~~[(f) in a newspaper or combination of newspapers of general circulation in the local
44 district, if there is a newspaper or combination of newspapers of general circulation in the local
45 district; or]~~

46 ~~[(H) if there is no newspaper or combination of newspapers of general circulation in
47 the local district, the local district board shall post at least one notice per 1,000 population
48 within the local district, at places within the local district that are most likely to provide actual
49 notice to residents within the local district.]~~

50 ~~[(B) The notice described in Subsection (2)(b)(i)(A)(I):]~~

51 ~~[(f) shall be no less than 1/4 page in size and the type used shall be no smaller than 18
52 point, and surrounded by a 1/4-inch border;]~~

53 ~~[(H) may not be placed in that portion of the newspaper where legal notices and
54 classified advertisements appear;]~~

55 ~~[(H) whenever possible, shall appear in a newspaper that is published at least one day
56 per week;]~~

57 ~~[(IV) shall be in a newspaper or combination of newspapers of general interest and
58 readership in the local district, and not of limited subject matter; and]~~

59 ~~[(V) shall be run once each week for the two weeks preceding the hearing.]~~
60 ~~[(ii) The notice described in Subsection (2)(b)(i)(A) shall state]~~
61 (2) (a) Each local district board shall:
62 (i) give notice of a hearing held in accordance with Subsection (1);
63 (ii) state in the notice described in Subsection (2)(a)(i) that the local district board
64 intends to impose or increase a fee for a service provided by the local district and will hold a
65 public hearing on a certain day, time, and place fixed in the notice~~[, which shall be not less than~~
66 ~~seven days after the day the first notice is published;]~~ for the purpose of hearing comments
67 regarding the proposed imposition or increase of a fee and to explain the reasons for the
68 proposed imposition or increase[-]; and
69 ~~[(c) (i) In lieu of providing notice under Subsection (2)(b), the local district board of~~
70 ~~trustees may]~~
71 (iii) give the notice required under Subsection (2)(a)(i) by mailing, in accordance with
72 Subsection (2)(c), the notice to those within the district who:
73 (A) will be charged the fee for a district service, if the fee is being imposed for the first
74 time; or
75 (B) are being charged a fee, if the fee is proposed to be increased.
76 ~~[(ii) (b) Each notice under Subsection (2)(c)(a)(i) shall [comply with Subsection~~
77 ~~(2)(b)(ii):]~~
78 ~~[(iii) A notice under Subsection (2)(c)(i)]~~
79 (i) be printed in 14 point red font; and
80 (ii) begin with the following title printed in boldface capital letters: "NOTICE:
81 PROPOSED FEE INCREASE."
82 (c) A notice mailed in accordance with Subsection (2)(a)(iii):
83 (i) shall be mailed at least seven days before but no sooner than 14 days before the day
84 on which the hearing described in Subsection (1)(a) is held; and
85 (ii) may accompany a district bill for an existing fee or other mailing sent by the
86 district.
87 ~~[(d) If the hearing required under this section is combined with the public hearing~~
88 ~~required under Section 17B-1-610, the notice requirement under this Subsection (2) is satisfied~~
89 ~~if a notice that meets the requirements of Subsection (2)(b)(ii) is combined with the notice~~

90 required under Section 17B-1-609.]

91 ~~[(e)]~~ (d) Proof that notice was given as provided in Subsection ~~[(2)(b) or (c)]~~ (2)(a) is
92 prima facie evidence that notice was properly given.

93 ~~[(f)]~~ (e) If no challenge is made to the notice given of a hearing required by Subsection
94 (1) within 30 days after the date of the hearing, the notice is considered adequate and proper.

95 (3) After holding a public hearing under Subsection (1), a local district board may:

96 (a) impose the new fee or increase the existing fee as proposed;

97 (b) adjust the amount of the proposed new fee or the increase of the existing fee and
98 then impose the new fee or increase the existing fee as adjusted; or

99 (c) decline to impose the new fee or increase the existing fee.

100 (4) This section applies to each new fee imposed and each increase of an existing fee
101 that occurs on or after July 1, 1998.

102 (5) (a) This section does not apply to an impact fee.

103 (b) The imposition or increase of an impact fee is governed by Title 11, Chapter 36,
104 Impact Fees Act.

105 Section 2. Section **17B-2a-902** is amended to read:

106 **17B-2a-902. Provisions applicable to service areas.**

107 (1) Each service area is governed by and has the powers stated in:

108 (a) this part; and

109 (b) except as provided in Subsection (5), Chapter 1, Provisions Applicable to All Local
110 Districts.

111 (2) This part applies only to service areas.

112 (3) A service area is not subject to the provisions of any other part of this chapter.

113 (4) If there is a conflict between a provision in Chapter 1, Provisions Applicable to All
114 Local Districts, and a provision in this part, the provision in this part governs.

115 (5) (a) A county may not charge or collect a fee under Section 17B-1-643 for a service
116 area created by the county for:

117 (i) law enforcement services;

118 (ii) fire protection services;

119 (iii) except as provided in Subsection (5)(b), 911 ambulance or paramedic services as
120 defined in Section 26-8a-102 that are provided under a contract in accordance with Section

121 26-8a-405.2; or
122 (iv) emergency services.
123 (b) Subsection (5)(a) does not apply to:
124 (i) a fee charged or collected on an individual basis rather than a general countywide
125 basis and in accordance with Section 26-8a-403; or
126 (ii) a non-911 service as defined in Section 26-8a-102 that is provided under a contract
127 in accordance with Section 26-8a-405.2.
128 **Section 3. Effective date.**
129 If approved by two-thirds of all the members elected to each house, this bill takes effect
130 upon approval by the governor, or the day following the constitutional time limit of Utah
131 Constitution Article VII, Section 8, without the governor's signature, or in the case of a veto,
132 the date of veto override.

Legislative Review Note
as of 1-7-11 3:35 PM

Office of Legislative Research and General Counsel

FISCAL NOTE

S.B. 43

SHORT TITLE: **Local District Fees**

SPONSOR: **Thatcher, D.**

2011 GENERAL SESSION, STATE OF UTAH

STATE GOVERNMENT (UCA 36-12-13(2)(b))

Enactment of this bill likely will not materially impact the state budget.

LOCAL GOVERNMENTS (UCA 36-12-13(2)(c))

Enactment of this bill could reduce local revenues by \$10,600,000 in 2011.

DIRECT EXPENDITURES BY UTAH RESIDENTS AND BUSINESSES (UCA 36-12-13(2)(d))

Individuals and businesses could benefit from the reduced fee at various amounts between \$162 and \$76,620.